



COMMUNITY RESOURCES AGENCY

BEV SHANE, AICP
Director

Administration - Building - County Surveyor - Engineering - Environmental Health - Fleet Services - GIS - Housing - Planning - Roads - Solid Waste

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AGENDA TUOLUMNE COUNTY BOARD OF SUPERVISORS HOUSING POLICY COMMITTEE

County Administration Center
Board of Supervisors Chambers

May 13, 2015
9:30 a.m.

PUBLIC FORUM

The public may speak on any item not on the printed agenda. No action may be taken by the Committee. The amount of time allocated for the public forum is limited to 15 minutes.

COMMITTEE BUSINESS:

1. Consideration of the Minutes of the meeting of March 11, 2015.
2. Reports.
3. Review of the 2015 Housing Policy Committee Annual Work Plan.

NEW ITEMS:

Consideration of PACE Energy Efficiency Financing Programs.

ADJOURNMENT

The Board of Supervisors Housing Policy Committee serves as an advisory group to the Board of Supervisors for matters related to housing.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Community Resources Agency at 209-533-5633. Notification 48 hours prior to the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting (28CFR Part 35 ADA Title II).

BOARD OF SUPERVISORS HOUSING POLICY COMMITTEE 2015 WORK PROGRAM FINAL

Adopted by the Board of Supervisors on: January 14, 2015

Status Update: May 13, 2015

The following is a list of issues proposed to be addressed by the Tuolumne County Board of Supervisors Housing Policy Committee in 2015. Some of these items are carried over from the 2014 Housing Policy Committee Work Plan. The issues addressed by the Committee are directed by the Board of Supervisors, requested by County staff, the Housing Policy Committee, the Housing Loan Review Committee, or are part of the normal operation of the County's affordable housing programs. Other items will be submitted to the Board for approval to be added to the list as issues arise requiring the Committee's consideration.

Projects

Workforce Housing Survey – The Committee conducted a Workforce Housing Survey in the fall of 2014 and results will be reviewed by the Committee in 2015.

Status: Survey completed and results distributed. Survey presented to the Board of Supervisors at their April 7, 2015 meeting.

Forums – The Committee expressed interest in holding additional forums on housing topics such as workforce housing with an emphasis on homeownership, or other topics of interest to the Committee.

Status: To be scheduled.

Veteran's Housing Project – Give Someone a Chance and ATCAA are proposing to work together to provide affordable rental housing and/or transitional housing that targets veterans and people who are homeless.

Status: Review future proposals and projects.

Tuolumne Apartments – The County of Tuolumne received \$3,334,629 from the State Department of Housing and Community Development HOME Program on behalf of the Michaels Organization to renovate Tuolumne Apartments. The Committee will provide oversight and review status reports.

Status: Project documents to go before the Board of Supervisors in May, 2015.

Section 8 Choice Voucher Program – The Section 8 Housing Choice Voucher Program in Tuolumne County is administered by the Stanislaus County Housing Authority. When they assumed administration of the program, they agreed to provide status updates and work with local social service providers to coordinate and expand service in Tuolumne County as funds permit. They also agreed to coordinate with the Central Sierra Continuum of Care to work to prioritize assistance for people who are homeless or at risk for homelessness.

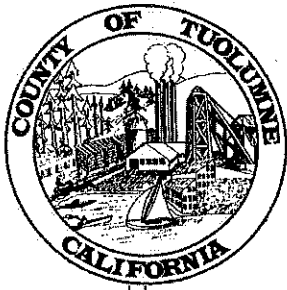
Status: Report scheduled quarterly.

Ongoing Program Items

Mobilehome Rent Control –Committee to review Annual Report at the April, 2015 meeting.

Grant Proposals – The Committee reviews grant applications that will help fund the County's affordable housing programs and makes recommendations to the Board of Supervisors.

Status: Review proposals as needed.



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DATE: May 13, 2015
TO: Board of Supervisors Housing Policy Committee Members
FROM: Sheila Shanahan, Housing Program Coordinator
SUBJECT: PACE Energy Efficiency Financing

BACKGROUND INFORMATION

1. County staff and Board of Supervisors members have received calls from county residents interested in using various PACE (Property Assessed Clean Energy) Programs to finance energy efficiency and water saving improvements to their property. The County is also a member of RCRC (Rural County Representatives of California) which is affiliated with the Golden State Finance Authority. The Golden State Finance Authority has partnered with Ygrene to launch a state-wide PACE Program that can assist residential, commercial and agricultural property owners. The Ygrene Program has contacted the County to invite our participation in their new partnership.
2. As a result of these inquiries, staff has researched PACE Programs and consulted with the County Administrator, Assessor/Recorder, Treasurer/Tax Collector and Auditor/Controller, and County Counsel, all of whom have a role in property assessments. This group met twice to discuss the regulations that pertain to PACE and two PACE Programs, the Ygrene Program and the HERO Program. The HERO Program is the largest and most experienced PACE Program in California. At the April 24, 2015 meeting, representatives from both PACE organizations participated so that staff could learn more about their programs and ask technical questions related to their department's potential role in handling the assessments for these programs.
3. Assembly Bill (AB) 811 was signed into law on July 21, 2008, and AB 474, effective January 1, 2010, amended Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California ("Chapter 29") and authorizes a legislative body to designate an area within which authorized public officials and interested property owners may enter into voluntary contractual assessments to finance the installation of distributed generation renewable energy sources, energy efficiency, and/or water conservation improvements that are permanently fixed to real property.
4. As a result of this legislation, various jurisdictions adopted PACE Programs to assist property owners in their jurisdiction. Some of these programs, such as the HERO and Ygrene Programs, are now expanding state-wide. Each program handles all aspects of financing and administration. A local jurisdiction interested in participating in the program is required to pass a resolution to be included in the program, but there is no program work on the jurisdiction's part. However, there is work involved for any county that participates because the county collects the assessments on the property tax bill. The County collects a fee for this service which is negotiated between the County and the program.

PACE PROGRAMS

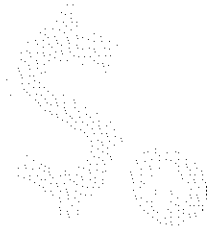
5. A PACE Program provides financing to residential and commercial property owners who would like to finance renewable energy items, such as solar panels, energy efficiency items, such as energy efficient heating and cooling systems, and water conservation improvements. Each program has its own list of allowed improvements. The Ygrene Program can finance water well improvements, new wells, or the deepening of existing wells. This is especially relevant in Tuolumne County given the number of wells in the County that have gone dry or have reduced flow.
6. All improvements must be permanently affixed to the property. Each program offers specific terms and interest rates depending upon the type of improvement and size of the loan. The loan payment is added to the property owner's tax bill and the payment is collected along with property taxes.
7. The assessment may be transferred to new owners when a property sells if the new lender allows the assessment to remain. Otherwise, the assessment is repaid at point of sale/transfer as would any other outstanding loans or assessments. While PACE Programs are relatively new, statistics from the HERO Program indicate that approximately 70% of assessments remain with a loan refinance and 50% remain at resale.
8. The PACE assessment concept has been somewhat controversial because some lenders are uncomfortable with assessments that become superior to their loan. A PACE assessment becomes part of the property tax sum and, as such, property taxes are in first position ahead of a lender. The Federal Housing Financing Agency (FHFA) issued a directive in 2010 to Freddie Mac or Fannie Mae indicating that they would not allow PACE assessments to remain. However it appears in practice that many assessments remain on these types of loans.
9. In 2013, California established a ten million dollar reserve fund to assist lenders in any cases of default on PACE assessments. The fund can be used to ensure lenders are made whole. However, the HERO and Ygrene Programs have not had any defaults to date and are not aware of any defaults that have led to foreclosure.

PROGRAM ADOPTION

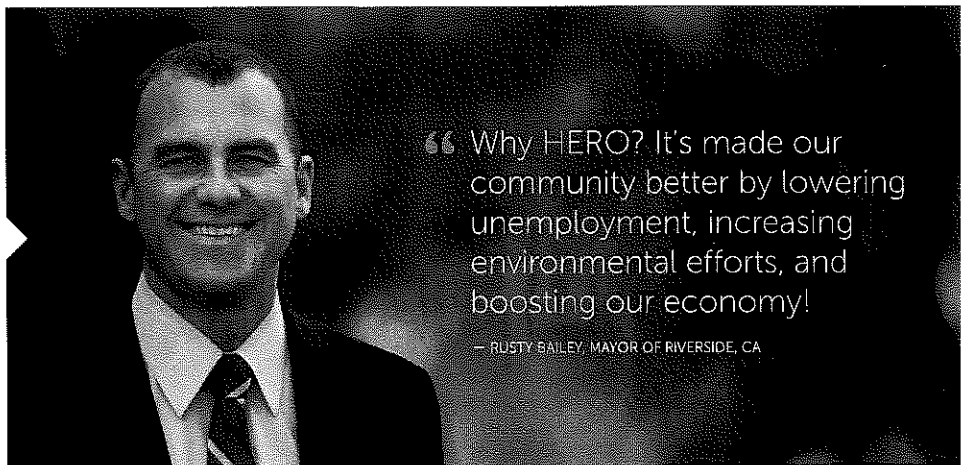
10. In order to offer PACE financing in the unincorporated area of Tuolumne County, the Board of Supervisors would need to adopt a resolution specific to each PACE Program. Attached are the sample staff reports, resolutions and program information from the HERO and Ygrene Programs. There are other PACE Programs that could be adopted by the County. If the Committee is interested in exploring more programs, staff can return with further research. The Ygrene and HERO Programs seem to be the two most relevant programs for the County's consideration. The HERO Program is the largest and most experienced program in California and has provided approximately 90% of the PACE financing in the state. The Ygrene Program is affiliated with RCRC and the County is closely tied to this organization. In addition, the Ygrene Program will finance new water wells and well repairs which is a critical need in our County.
11. If any issues develop in the future where PACE financing in the unincorporated area of the County would be a detriment to the community, the County could opt out of the program at that time.
12. Representatives from the HERO and Ygrene Programs will attend the Board of Supervisors Housing Policy Committee meeting on May 13 to present their programs and answer questions.
13. City of Sonora staff have been invited to the meeting. The City would need to adopt its own resolution if it wishes to offer the program to property owners in the City of Sonora.

RECOMMENDATION

Staff recommends that the Board of Supervisors Housing Policy Committee recommend to the Board of Supervisors that they consider adopting resolutions which would enable the HERO and Ygrene Programs to be offered in the unincorporated area of Tuolumne County.



Stimulates Economy



“ Why HERO? It's made our community better by lowering unemployment, increasing environmental efforts, and boosting our economy!

— RUSTY BAILEY, MAYOR OF RIVERSIDE, CA



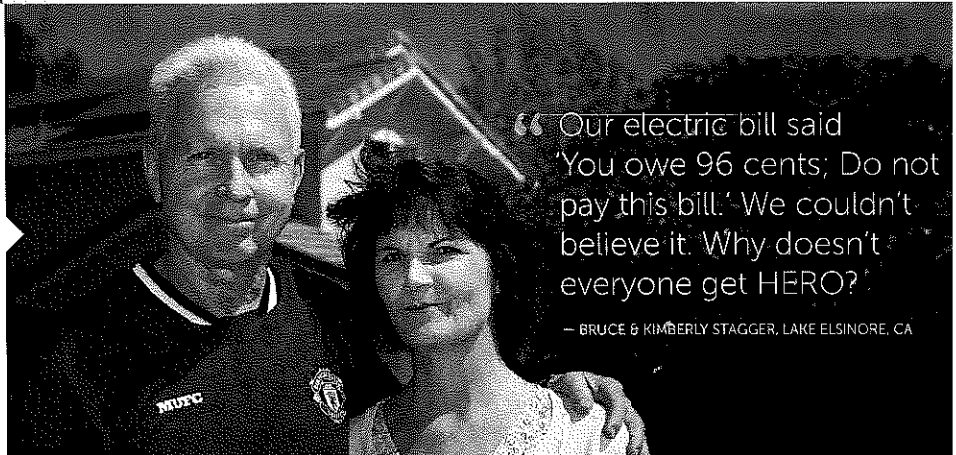
Your energy efficient future, today.

HERO Impact

As HERO spreads across the state, a wave of economic and environmental impact has followed close behind. Here are some of our successes, to date.

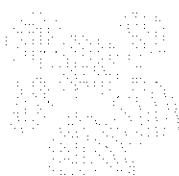


Saves Energy



“ Our electric bill said 'You owe 96 cents; Do not pay this bill.' We couldn't believe it. Why doesn't everyone get HERO?

— BRUCE & KIMBERLY STAGGER, LAKE ELSINORE, CA



Creates Jobs



“ With HERO funding 50% of our sales, we've been able to hire 22 people this year! You should absolutely bring HERO to your community

— W.C. HEATING & AIR CONDITIONING, BARBETTA, CA

HERO Positively Impacts Your Community

The HERO Program is a public / private partnership designed to help communities become more energy efficient and to stimulate their local economies. As the leading provider of PACE (Property Assessed Clean Energy) financing in the country, we are actively making a difference in local communities. Our turnkey solution will have your community up and running with HERO in no time!



Create
Local Jobs



Increase
Property Values



Reduce Greenhouse
Gas Emissions



Lower
Utility Bills

Bring HERO to Your Community

Start today and be up-and-
running in as few as 90 days

Step 1. YOU ADOPT

Jurisdiction adopts a resolution making HERO
available to property owners.

Step 2. WE IMPLEMENT

HERO handles everything from setup through launch,
including contractor training and local marketing.

Start the Conversation



Northern California

John Law | 209-602-8990 | jlaw@heroprogram.com

Southern California

Dustin Reilich | 949-237-0965 | dreilich@heroprogram.com

AGENDA ITEM No. _____

DATE: _____, 20__

TO: Board of Supervisors

SUBJECT: Adopt Resolution 201_-_____ Consenting to the Inclusion of Properties within the County's Jurisdiction in the California HERO Program to Finance Distributed Generation Renewable Energy Sources, Energy and Water Efficiency Improvements and Electric Vehicle Charging Infrastructure and Approving an Amendment to a Certain Joint Powers Agreement Related Thereto.

BACKGROUND:

Assembly Bill (AB) 811 was signed into law on July 21, 2008, and AB 474, effective January 1, 2010, amended Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California ("Chapter 29") and authorizes a legislative body to designate an area within which authorized public officials and free and willing property owners may enter into voluntary contractual assessments to finance the installation of distributed generation renewable energy sources, energy efficiency, and/or water conservation improvements that are permanently fixed to real property, as specified.

The HERO Program has been very successful in Western Riverside County, since its launch in late 2012; the Program has approved over \$2.1 billion in applications and has funded over \$464 million in projects. Because of its success, the California HERO Program was developed as a turnkey program to save other California jurisdictions time and resources in developing a standalone program. Jurisdictions only need to adopt the form of resolution accompanying this staff report and approve an amendment to the joint exercise of powers agreement related to the California HERO Program attached to such resolution to begin the process.

ANALYSIS:

The California HERO Program is being offered to allow property owners in participating cities and counties to finance renewable energy, energy water efficiency improvements and electric vehicle charging infrastructure on their property. If a property owner chooses to participate, the improvements to be installed on such owner's property will be financed by the issuance of bonds by a joint power authority, Western Riverside Council of Governments ("WRCOG"), secured by a voluntary contractual assessment levied on such owner's property. Participation in the program is 100% voluntary. Property owners who wish to participate in the program agree to repay the money through the voluntary contractual assessment collected together with their property taxes.

The benefits to the property owner include:

- Eligibility: In today's economic environment, alternatives for property owners to finance renewable energy/energy efficiency/water efficiency improvements or electric vehicle charging infrastructure may not be available. As such many property owners do not have options available to them to lower their utility bills.
- Savings: Energy prices continue to rise and selecting in energy efficient, water efficient and renewable energy models lower utility bills.

- 100% voluntary. Property owners can choose to participate in the program at their discretion.
- Payment obligation stays with the property. Under Chapter 29, a voluntary contractual assessment stays with the property upon transfer of ownership. Even if there were private enterprise alternatives, most private loans are due on sale of the benefited property, which makes it difficult for property owners to match the life of the repayment obligation with the useful life of the financed improvements. Certain mortgage providers will, however, require the assessment be paid off at the time the property is refinanced or sold.
- Prepayment option. The property owner can choose to pay off the assessments at any time, subject to applicable prepayment penalties.
- Customer oriented program. Part of the success of the program is the prompt customer service.

The benefits to the County include:

- Increase local jobs.
- An increase in property values (higher efficient homes are worth more money).
- An increase in sales, payroll and property tax revenue
- As in conventional assessment financing, the County is not obligated to repay the bonds or to pay the assessments levied on the participating properties.
- All California HERO Program and assessment administration, bond issuance and bond administration functions are handled by California HERO. Little, if any, County staff time is needed to participate in the California HERO Program.
- The County can provide access for its residents to the California HERO Program without the higher staff costs that an independent program established by the County would require.

The proposed resolution enables the California HERO Program to be available to owners of property within our County to finance renewable energy, energy efficiency and water efficiency improvements and electric vehicle charging infrastructure. The resolution approves an Amendment to the WRCOG Joint Powers Agreement to add the County as an Associate Member in order that the California HERO Program may be offered to the owners of property located within the County who wish to participate in the California HERO Program.

FISCAL AND STAFF IMPACTS:

There is no negative fiscal impact to the County's general fund incurred by consenting to the inclusion of properties within the County limits in the California HERO Program. All California HERO Program administrative costs are covered through an initial administrative fee included in the property owner's voluntary contractual assessment and an annual administrative fee which is also collected on the property owner's tax bill.

RECOMMENDED ACTION:

Adopt the attached Resolution authorizing the County's participation in the California HERO Program, which will enable property owners to finance permanently fixed renewable energy, energy and water efficiency improvements and electric vehicle charging infrastructure on their properties.

ATTACHMENTS:

1. Resolution

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF _____, CALIFORNIA, CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE COUNTY'S UNINCORPORATED AREA IN THE CALIFORNIA HERO PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING THE AMENDMENT TO A CERTAIN JOINT POWERS AGREEMENT RELATED THERETO

WHEREAS, the Western Riverside Council of Governments ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the "Authority JPA"); and

WHEREAS, Authority has established the California HERO Program to provide for the financing of renewable energy distributed generation sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, County of _____ (the "County") is committed to development of renewable energy sources and energy efficiency improvements, reduction of greenhouse gases, protection of our environment, and reversal of climate change; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the California HERO Program would promote the purposes cited above; and

WHEREAS, the County wishes to provide innovative solutions to its property owners to achieve energy and water efficiency and independence, and in doing so cooperate with Authority in order to efficiently and economically assist property owners the County in financing such Improvements; and

WHEREAS, Authority has established the California HERO Program, which is such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and entered into April 1, 1991, as amended to date, and the Amendment to Joint Powers Agreement Adding the County of _____ as an Associate Member of the Western Riverside Council of Governments to Permit the Provision of Property Assessed Clean Energy (PACE) Program Services within the County (the "JPA Amendment"), by and between Authority and the County, a copy of

which is attached as Exhibit "A" hereto, to assist property owners within the unincorporated area of the County in financing the cost of installing Improvements; and

WHEREAS, the County will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This Board of Supervisors finds and declares that properties in the County's incorporated area will be benefited by the availability of the California HERO Program to finance the installation of the Improvements.

2. This Board of Supervisors consents to inclusion in the California HERO Program of all of the properties in the unincorporated area within the County and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

3. The consent of this Board of Supervisors constitutes assent to the assumption of jurisdiction by Authority for all purposes of the California HERO Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.

4. This Board of Supervisors hereby approves the JPA Amendment and authorizes the execution thereof by appropriate County officials.

5. County staff is authorized and directed to coordinate with Authority staff to facilitate operation of the California HERO Program within the County, and report back periodically to this Board of Supervisors on the success of such program.

6. This Resolution shall take effect immediately upon its adoption. The Clerk of the Board of Supervisors is directed to send a certified copy of this resolution to the Secretary of the Authority Executive Committee.

(Insert Voting Block for the County)

EXHIBIT A

**AMENDMENT TO THE JOINT POWERS AGREEMENT
ADDING COUNTY OF _____ AS
AS AN ASSOCIATE MEMBER OF THE
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
TO PERMIT THE PROVISION OF PROPERTY ASSESSED CLEAN
ENERGY (PACE) PROGRAM SERVICES WITHIN SUCH COUNTY**

This Amendment to the Joint Powers Agreement ("JPA Amendment") is made and entered into on the ____ day of _____, 2013, by County of _____ ("County") and the Western Riverside Council of Governments ("Authority") (collectively the "Parties").

RECITALS

WHEREAS, Authority is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Joint Exercise of Powers Act") and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the "Authority JPA"); and

WHEREAS, as of October 1, 2012, Authority had 18 member entities (the "Regular Members");

WHEREAS, Chapter 29 of the Improvement Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") authorizes cities, counties, and cities and counties to establish voluntary contractual assessment programs, commonly referred to as a Property Assessed Clean Energy ("PACE") program, to fund certain renewable energy sources, energy and water efficiency improvements, and electric vehicle charging infrastructure (the "Improvements") that are permanently fixed to residential, commercial, industrial, agricultural or other real property; and

WHEREAS, Authority has established a PACE program known as the "California HERO Program" pursuant to Chapter 29 which authorizes the implementation of such PACE financing program for cities and counties throughout the state; and

WHEREAS, County desires to allow owners of property within its jurisdiction to participate in the California HERO Program and to allow Authority under Chapter 29, as it is now enacted or may be amended hereafter, to finance Improvements to be installed on such properties; and

WHEREAS, this JPA Amendment will permit County to become an Associate Member of Authority and to participate in California HERO Program for the purpose of facilitating the implementation of such program within the unincorporated territory of County; and

WHEREAS, pursuant the Joint Exercise of Powers Act, the Parties are approving this JPA Agreement to allow for the provision of PACE services through the California

HERO Program, including the operation of such PACE financing program, within the unincorporated territory of County; and

WHEREAS, the JPA Amendment sets forth the rights, obligations and duties of County and Authority with respect to the implementation of the California HERO Program within the unincorporated territory of County.

MUTUAL UNDERSTANDINGS

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

A. JPA Amendment.

1. The Authority JPA. County agrees to the terms and conditions of the Authority JPA, attached.

2. Associate Membership. By adoption of this JPA Amendment, County shall become an Associate Member of Authority on the terms and conditions set forth herein and the Authority JPA and consistent with the requirements of the Joint Exercise of Powers Act. The rights and obligations of County as an Associate Member are limited solely to those terms and conditions expressly set forth in this JPA Amendment for the purposes of implementing the California HERO Program within the unincorporated territory of County. Except as expressly provided for by the this JPA Amendment, County shall not have any rights otherwise granted to Authority's Regular Members by the Authority JPA, including but not limited to the right to vote on matters before the Executive Committee or the General Assembly, the right to amend or vote on amendments to the Authority JPA, and the right to sit on committees or boards established under the Authority JPA or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee. County shall not be considered a member for purposes of Section 9.1 of the Authority JPA.

3. Rights of Authority. This JPA Amendment shall not be interpreted as limiting or restricting the rights of Authority under the Authority JPA. Nothing in this JPA Amendment is intended to alter or modify Authority Transportation Uniform Mitigation Fee (TUMF) Program, the PACE Program administered by Authority within the jurisdictions of its Regular Members, or any other programs administered now or in the future by Authority, all as currently structured or subsequently amended.

B. Implementation of California HERO Program within County Jurisdiction.

1. Boundaries of the California HERO Program within County Jurisdiction. The boundaries within which contractual assessments may be entered into under the California HERO Program (the "Program Boundaries") shall include the entire unincorporated territory of County.

2. Determination of Eligible Improvements. Authority shall determine the types of distributed generation renewable energy sources, energy efficiency or water conservation improvements, electric vehicle charging infrastructure or such other improvements as may be authorized pursuant to Chapter 29 (the "Eligible Improvements") that will be eligible to be financed under the California HERO Program.

3. Implementation of California HERO Program Within the Program Boundaries. Authority will undertake such proceedings pursuant to Chapter 29 as shall be legally necessary to enable Authority to make contractual financing of Eligible Improvements available to eligible property owners within the Program Boundaries.

4. Financing the Installation of Eligible Improvements. Authority shall implement its plan for the financing of the purchase and installation of the Eligible Improvements under the California HERO Program within the Program Boundaries.

5. Ongoing Administration. Authority shall be responsible for the ongoing administration of the California HERO Program, including but not limited to producing education plans to raise public awareness of the California HERO Program, soliciting, reviewing and approving applications from residential and commercial property owners participating in the California HERO Program, establishing contracts for residential, commercial and other property owners participating in such program, establishing and collecting assessments due under the California HERO Program, adopting and implementing any rules or regulations for the California HERO Program, and providing reports as required by Chapter 29.

County will not be responsible for the conduct of any proceedings required to be taken under Chapter 29; the levy or collection of assessments or any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

6. Phased Implementation. The Parties recognize and agree that implementation of the California HERO Program as a whole can and may be phased as additional other cities and counties execute similar agreements. County entering into this JPA Amendment will obtain the benefits of and incur the obligations imposed by this JPA Amendment in its jurisdictional area, irrespective of whether cities or counties enter into similar agreements.

C. Miscellaneous Provisions.

1. Withdrawal. County or Authority may withdraw from this JPA Amendment upon six (6) months written notice to the other party; provided, however, there is no

outstanding indebtedness of Authority within County. The provisions of Section 6.2 of the Authority JPA shall not apply to County under this JPA Amendment. County may withdraw approval for conduct of the HERO Program within the jurisdictional limits of County upon thirty (30) written notice to WRCOG without liability to the Authority or any affiliated entity. County withdrawal shall not affect the validity of any voluntary assessment contracts (a) entered prior to the date of such withdrawal or (b) entered into after the date of such withdrawal so long as the applications for such voluntary assessment contracts were submitted to and approved by WRCOG prior to the date of County's notice of withdrawal.

2. Mutual Indemnification and Liability. Authority and County shall mutually defend, indemnify and hold the other party and its directors, officials, officers, employees and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries of any kind, in law or equity, to property or persons, including wrongful death, to the extent arising out of the willful misconduct or negligent acts, errors or omissions of the indemnifying party or its directors, officials, officers, employees and agents in connection with the California HERO Program administered under this JPA Amendment, including without limitation the payment of expert witness fees and attorneys fees and other related costs and expenses, but excluding payment of consequential damages. Without limiting the foregoing, Section 5.2 of the Authority JPA shall not apply to this JPA Amendment. In no event shall any of Authority's Regular Members or their officials, officers or employees be held directly liable for any damages or liability resulting out of this JPA Amendment.

3. Environmental Review. Authority shall be the lead agency under the California Environmental Quality Act for any environmental review that may required in implementing or administering the California HERO Program under this JPA Amendment.

4. Cooperative Effort. County shall cooperate with Authority by providing information and other assistance in order for Authority to meet its obligations hereunder. County recognizes that one of its responsibilities related to the California HERO Program will include any permitting or inspection requirements as established by County.

5. Notice. Any and all communications and/or notices in connection with this JPA Amendment shall be either hand-delivered or sent by United States first class mail, postage prepaid, and addressed as follows:

Authority:

Western Riverside Council of Governments
4080 Lemon Street, 3rd Floor. MS1032
Riverside, CA 92501-3609
Att: Executive Director

County:

[TO BE INSERTED]

6. Entire Agreement. This JPA Amendment, together with the Authority JPA, constitutes the entire agreement among the Parties pertaining to the subject matter hereof. This JPA Amendment supersedes any and all other agreements, either oral or in writing, among the Parties with respect to the subject matter hereof and contains all of the covenants and agreements among them with respect to said matters, and each Party acknowledges that no representation, inducement, promise of agreement, oral or otherwise, has been made by the other Party or anyone acting on behalf of the other Party that is not embodied herein.

7. Successors and Assigns. This JPA Amendment and each of its covenants and conditions shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns. A Party may only assign or transfer its rights and obligations under this JPA Amendment with prior written approval of the other Party, which approval shall not be unreasonably withheld.

8. Attorney's Fees. If any action at law or equity, including any action for declaratory relief is brought to enforce or interpret the provisions of this Agreement, each Party to the litigation shall bear its own attorney's fees and costs.

9. Governing Law. This JPA Amendment shall be governed by and construed in accordance with the laws of the State of California, as applicable.

10. No Third Party Beneficiaries. This JPA Amendment shall not create any right or interest in the public, or any member thereof, as a third party beneficiary hereof, nor shall it authorize anyone not a Party to this JPA Amendment to maintain a suit for personal injuries or property damages under the provisions of this JPA Amendment. The duties, obligations, and responsibilities of the Parties to this JPA Amendment with respect to third party beneficiaries shall remain as imposed under existing state and federal law.

11. Severability. In the event one or more of the provisions contained in this JPA Amendment is held invalid, illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed severed from this JPA Amendment and the remaining parts of this JPA Amendment shall remain in full force and effect as though

such invalid, illegal, or unenforceable portion had never been a part of this JPA Amendment.

12. Headings. The paragraph headings used in this JPA Amendment are for the convenience of the Parties and are not intended to be used as an aid to interpretation.

13. Amendment. This JPA Amendment may be modified or amended by the Parties at any time. Such modifications or amendments must be mutually agreed upon and executed in writing by both Parties. Verbal modifications or amendments to this JPA Amendment shall be of no effect.

14. Effective Date. This JPA Amendment shall become effective upon the execution thereof by the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this JPA Amendment to be executed and attested by their officers thereunto duly authorized as of the date first above written.

[SIGNATURES ON FOLLOWING PAGES]

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By: _____
Executive Committee Chair
Western Riverside Council of Governments

Date: _____

COUNTY OF _____

By: _____

Date: _____

Title: _____

Ygrene WORKS™ for YOUR COMMUNITY

Q: What is Ygrene Works and how does it benefit my community?

A: Ygrene Works allows your city or county to bring best-in-class PACE financing to its constituents by providing 100 percent, no money down, tax-deductible project funding with the lowest rates and fees to residential, commercial, and agricultural property owners.

Q: What is PACE financing?

A: PACE (Property Assessed Clean Energy) lets owners of all types of properties finance a wide range of energy or water conserving improvements and renewable energy generation systems. Because payments are made through property taxes, PACE participants enjoy long financing terms, reasonable rates and quick approvals.

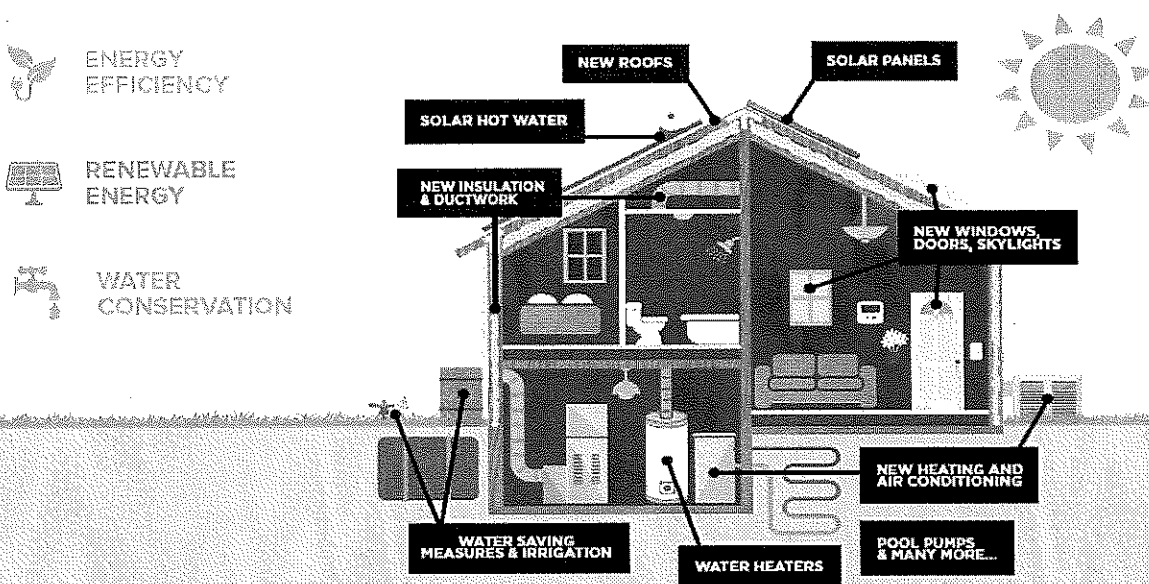
Q: Why should my city or county join the Ygrene Works program?

A: By offering Ygrene Works to your constituency, you make available the most flexible and affordable PACE program in California. Your community will benefit from the jobs created, the increased economic activity, reduced energy and water use and from achieving your community's sustainability goals. Joining Ygrene Works is simple, with no costs, very little staff time and no legal or financial risks.

Q: What is the process for my community to join the Ygrene Works program?

A: Joining Ygrene Works is fast and simple. The resolution(s) necessary to opt-in to the program can be approved at a single meeting of your City Council or Board of Supervisors. GSFA and Ygrene will provide samples of all required documents including the staff report and resolutions. Call 707-236-6608 to speak with a Ygrene Works advisor who will walk you through the process.

YOUR CONSTITUENTS CAN CHOOSE FROM THOUSANDS OF ELIGIBLE IMPROVEMENTS



AS SEEN IN:

The New York Times The Miami Herald WALL STREET JOURNAL Forbes



YgreneWorks.com

877.819.4736

TO: Chair and Members of the Board of Supervisors of the County of _____

FROM: _____

Date: _____

Subject: Resolutions Consenting to Inclusion of _____ County Properties in the California Home Finance Authority PACE Programs

BACKGROUND

_____ County is a Member of the California Home Finance Authority ("CHF"), which is in the process of formally changing its name to Golden State Finance Authority, is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the "Authority JPA").

CHF has established Property Assessed Clean Energy ("PACE") financing programs for residential, commercial, industrial and agricultural properties to address high up-front costs for property owners who wish to improve their properties through installation of measures that will generate renewable energy or reduce their energy and water use. By offering low cost financing, CHF's PACE programs allow construction of these projects to proceed and, in the process, stimulate building activity and the overall local economy, reduce peak energy demand, increase property values, and generate savings on utility bills for property owners.

CHF contracts with Ygrene Energy Fund CA LLC (Ygrene) to serve as the program administrator and to operate the Ygrene Works for California PACE financing program.

PACE Financing Programs

CHF has established two PACE programs under the legislative authority of two separate California PACE laws:

SB 555 PACE Community Facilities District: Senate Bill 555 amended the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code and particularly in accordance with sections 53313.5(l) and 53328.1(a) ("Mello-Roos Act"), to allow for the creation of Community Facilities Districts ("CFDs") for the purpose of financing or refinancing

the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property.

Individual properties can be annexed into the district and be subjected to the special tax that is imposed to repay project financing only if (i) the Board adopts a resolution consenting to the inclusion of parcels in the unincorporated areas of the County within the CFD and (ii) each participating owner provides its unanimous written approval for annexation of its property into the PACE CFD.

AB 811 PACE Contractual Assessment Program: By the passage of Assembly Bill 811, the California State Legislature added Chapter 29 to the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code. This legislation authorized cities and counties to establish voluntary contractual assessment programs for the purpose of financing private property improvements that promote renewable energy generation, energy and water efficiency and electric vehicle charging infrastructure.

As with the SB 555 CFD, properties can be annexed into the AB 811 PACE program and be subject to the property tax assessment that is imposed to repay project financing only if (i) the Board adopts a resolution consenting to the inclusion of parcels in the unincorporated areas of the County within the program and (ii) each participating owner consents in writing to the annexation of its property into the PACE program.

[PARTICIPATION IN OTHER PACE PROGRAMS (to be included in the event the jurisdiction has approved one or more other PACE programs)]

_____ County has previously approved participation in another PACE program. Adding the CHF PACE programs, to be administered by Ygrene, provides more options for County property owners. It will not add to or require any additional responsibilities for the County.

PROGRAM AUTHORIZATION BEING SOUGHT

CHF is in the process of seeking validation judgments for both the SB 555 and the AB 811 programs from the Superior Court for the County of Sacramento. However, CHF intends to only implement ONE of the above PACE programs. Once the court enters the validation judgments, CHF will select the PACE program it believes will provide property owners with the greatest flexibility. The other PACE program will not be implemented unless changes in the PACE laws warrant changing or adding that option.

In support of CHF's approach, the Board is being asked to pass two resolutions that would approve the following actions:

The first resolution will permit property owners within the unincorporated areas of the County to participate in the CHF SB 555 Community Facilities District.

The second resolution will permit property owners within the unincorporated areas of the County to participate in the CHF AB 811 Authority PACE Program.

Each resolution also authorizes CHF (1) to accept applications from property owners within the County's unincorporated area to finance authorized improvements; and (2) to conduct proceedings and levy special taxes or contractual assessments, as applicable, on the property of participating owners.

Following are additional PACE program considerations:

- Supports development of renewable energy sources, installation of energy and water efficiency improvements, reduction of greenhouse gases, and protection of the environment.
- Only property owners who voluntarily choose to participate in the program will be subject either to assessments or special taxes, depending on which program is selected.
- Program financing provides for an affordable method for many property owners to reduce their energy costs and improve their properties.
- Because program financing can be readily transferred on sale, even owners who are planning to sell have the ability to make responsible and beneficial improvements to their property.
- While early payment premiums apply in some circumstances, property owners can choose to pay off the program financing at any time.
- The County incurs no financial obligations as a result of program participation.
- Once the Board passes the resolutions, the County will incur no costs, and no staff time is required for administration or funding of the PACE program. The County will assist in the levying, collection and enforcement of the special tax or contractual assessment.

AGREEMENT FOR COLLECTION OF SPECIAL TAXES AND CONTRACTUAL ASSESSMENTS

The attached form of agreement between the County of _____ and CHF specifies the respective responsibilities of the parties regarding the collection of special taxes and/or contractual assessments. The agreement provides for the payment of the County's charges for the services involved. The County's approval of the attached agreement will allow for the collection of special taxes and/or contractual assessments for any property participating in either PACE financing program.

RECOMMENDED ACTION

Staff recommends that the Board of Supervisors take the following actions:

1. Review and adopt Resolution _____ consenting to Inclusion of Properties within the County's Jurisdiction in CHF Community Facilities District No. 2014-1 (Clean Energy) to Finance Renewable Energy Generation, Energy Efficiency, Water Conservation and Electric Vehicle Charging Infrastructure Improvements.
2. Review and adopt Resolution _____ consenting to Inclusion of Properties within the County's Unincorporated Area in the CHF PACE Program to Finance Renewable Energy Generation, Energy and Water Efficiency Improvements and Electric Vehicle Charging Infrastructure.
3. Review and adopt Resolution _____ Approving and Authorizing Execution of the Agreement for Collection of Special Taxes and Contractual Assessments as may be applicable.

FISCAL IMPACT

There are no fiscal impacts associated with the recommended actions. There is no cost to the County by opting into the PACE programs described in this report. The County will have no administrative responsibilities, marketing obligations, or financial obligations associated with the PACE program, other than the collection of special taxes and/or contractual assessments for any property participating in either PACE financing program. The Agreement for Collection of Special Taxes and Contractual Assessments includes the County's standard charges for the services provided.

ATTACHMENTS

Resolution _____

Resolution _____

Resolution _____

Form of Agreement for Collection of Special Taxes and Contractual Assessments

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF _____,
CALIFORNIA CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE COUNTY'S
JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY COMMUNITY
FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY) TO FINANCE RENEWABLE
ENERGY IMPROVEMENTS, ENERGY EFFICIENCY AND WATER CONSERVATION
IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE

Recitals

WHEREAS, the California Home Finance Authority, a California joint powers authority, (the "Authority") has established the Community Facilities District No. 2014-1(Clean Energy) in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code (the "Act") and particularly in accordance with sections 53313.5(l) and 53328.1(a) (the "District"); and

WHEREAS, the purpose of the District is to finance or refinance (including the payment of interest) the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property (the "Authorized Improvements"); and

WHEREAS, the Authority is in the process of amending the Authority Joint Powers Agreement (the "Authority JPA") to formally change its name to the Golden State Finance Authority; and

WHEREAS, the County of _____ is committed to development of renewable energy sources and energy efficiency and water conservation improvements, reduction of greenhouse gases, and protection of the environment; and

WHEREAS, in the Act, the Legislature has authorized a parcel within the territory of the District to annex to the District and be subject to the special tax levy of the District only (i) if the city or county within which the parcel is located has consented, by the adoption of a resolution by the applicable city council or county board of supervisors, to the inclusion of parcels within its boundaries in the District and (ii) with the unanimous written approval of the owner or owners of the parcel when it is annexed (the "Unanimous Approval Agreement"), which, as provided in section 53329.6 of the Act, shall constitute the election required by the California Constitution; and

WHEREAS, the County wishes to provide innovative solutions to its property owners to achieve energy efficiency and water conservation, and in doing so cooperate with Authority in order to efficiently and economically assist property owners in the County in financing such Authorized Improvements; and

WHEREAS, the Authority has established the District, as permitted by the Act, and the Authority JPA, originally made and entered into July 1, 1993, as amended to date to assist

property owners within the unincorporated area of the County in financing the cost of installing Authorized Improvements;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This Board of Supervisors finds and declares that properties in the County's unincorporated area will be benefited by the availability of the Authority CFD No. 2014-1 (Clean Energy) to finance the installation of the Authorized Improvements.

2. This Board of Supervisors consents to inclusion in the Authority CFD No. 2014-1 (Clean Energy) of all of the properties in the unincorporated area within the County and to the Authorized Improvements, upon the request of and execution of the Unanimous Approval Agreement by the owners of such properties when such properties are annexed, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

3. The consent of this Board of Supervisors constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority CFD No. 2014-1 (Clean Energy) and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Authorized Improvements, provided, however, that the County shall assist in the levying, collecting and enforcement of the special tax lien to finance the Authorized Improvements.

4. County staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority CFD No. 2014-1 (Clean Energy) within the County, and report back periodically to this Board of Supervisors on the success of such program.

5. This Resolution shall take effect immediately upon its adoption. The Clerk of the Board of Supervisors is directed to send a certified copy of this resolution to the Secretary of the Authority.

(Insert Voting Block for the County)

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF STEVENS, CALIFORNIA, CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE COUNTY'S UNINCORPORATED AREA IN THE CALIFORNIA HOME FINANCE AUTHORITY PROGRAM TO FINANCE RENEWABLE ENERGY GENERATION, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE

WHEREAS, the California Home Finance Authority ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the "Authority JPA"); and

WHEREAS, the Authority is in the process of amending the Authority JPA to formally change its name to the Golden State Finance Authority; and

WHEREAS, the Authority has established a property-assessed clean energy program (the "Authority PACE Program") to provide for the financing of renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, the County of STEVENS (the "County") is committed to development of renewable energy generation and energy and water efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the Authority PACE Program would promote the purposes cited above; and

WHEREAS, the County wishes to provide innovative solutions to its property owners to achieve energy and water efficiency and in doing so cooperate with Authority in order to efficiently and economically assist property owners within the unincorporated area of the County in financing such Improvements; and

WHEREAS, Authority has established the Authority PACE Program, which is such a voluntary contractual assessment program, as permitted by the Act, and the Authority JPA, originally made and entered into July 1, 1993, as amended to date, to assist property owners within the unincorporated area of the County in financing the cost of installing Improvements; and

WHEREAS, the County will not be responsible for the conduct of any assessment proceedings; or the issuance, sale or administration of any bonds issued in connection with the Authority PACE Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This Board of Supervisors finds and declares that properties in the County's unincorporated area will be benefited by the availability of the Authority PACE Program to finance the installation of the Improvements.

2. This Board of Supervisors consents to inclusion in the Authority PACE Program of all of the properties in the unincorporated area within the County and to the Improvements, upon the request by and execution of the voluntary contractual assessment of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

3. The consent of this Board of Supervisors constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority PACE Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, and the issuance and enforcement of bonds to represent such contractual assessments; provided, however, that the County shall assist in the levying, collecting and enforcement of the contractual assessments to finance the Improvements.

4. County staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority PACE Program within the County, and report back periodically to this Board of Supervisors on the success of such program.

5. This Resolution shall take effect immediately upon its adoption. The Clerk of the Board of Supervisors is directed to send a certified copy of this resolution to the Secretary of the Authority.

(Insert Voting Block for the County)

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF ,
CALIFORNIA, APPROVING AND AUTHORIZING EXECUTION OF AN AGREEMENT
FOR COLLECTION OF SPECIAL TAXES AND CONTRACTUAL ASSESSMENTS

WHEREAS, the California Home Finance Authority ("Authority"), which is in the process of formally changing its name to Golden State Finance Authority, is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the "Authority JPA"); and

WHEREAS, the Authority has established a property-assessed clean energy financing program (the "Authority PACE Program") for residential, commercial, industrial and agricultural properties to address high up-front costs for property owners who wish to improve their properties through installation of measures that will generate renewable energy or reduce their energy and water use; and

WHEREAS, Section 29142 of the Government Code provides that when taxes or assessments are collected by a county for any special district, or zone, or improvement district thereof, excluding a school district, the Board of Supervisors may provide for a collection fee for such services; and

WHEREAS, Section 29304 of the Government Code provides that whenever any special assessment or special assessment taxes are levied upon land or real property by any city, county, district or other public corporation, and the same are to be collected by a county, there shall be added to the amount of the special assessment or special assessment tax an amount fixed by agreement between the county and city, district, public corporation, officer, or body for each special assessment or special assessment tax to be collected; and

WHEREAS, special assessments are not taxes under the State Constitution but are levies upon the real property (land or land and improvements) in a district for the purpose of paying for improvements or special services, the amount of the levy being based upon the benefits accruing to the property as a result of the improvements or services; and whether a particular charge is a tax or a special assessment is not governed by the designation thereof in the statute providing therefor but is governed by the nature of the imposition; and

WHEREAS, the Authority has requested, and it is in the public interest, that the County collect on the County tax rolls the special taxes, fees, and assessments for the Authority; and

WHEREAS, the Authority and County desire to enter into an agreement whereby the special taxes and assessments for the Authority will be collected by the County at the same time and in the same manner as County taxes are collected and the Authority will pay to the County the fees for such collection.

WHEREAS, **except as agreed to by separate contract**, the County will not be responsible for the conduct of any assessment proceedings; the levy and collection of

assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the Authority PACE Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board of Supervisors hereby approves the Agreement for Collection of Special Taxes and Contractual Assessments ("Agreement"), between the County and the Authority, in substantially the form attached hereto and incorporated herein by reference.

2. The Board of Supervisors hereby authorizes and directs the County Administrative Officer, in cooperation with the Authority, to prepare and execute the Agreement, subject to any conforming or clarifying changes as may be approved by County Administrative Officer and the County Counsel.

3. The Board of Supervisors further authorizes and directs the County Administrative Officer, or designee, to take such actions as are necessary to perform the obligations of the County under the Agreement, including without limitation such actions as are necessary for the County to collect the special taxes and special assessments for the Authority at the same time and in the same manner as County taxes are collected.

4. This Resolution shall take effect immediately upon its adoption. The Clerk of the Board of Supervisors is directed to send a certified copy of this resolution to the Secretary of the Authority.

(Insert Voting Block for the County)



Unapproved COMMUNITY RESOURCES AGENCY

BEV SHANE, AICP
Director

Administration - Building - County Surveyor - Engineering - Environmental Health - Fleet Services - GIS - Housing - Planning - Roads - Solid Waste

BOARD OF SUPERVISORS HOUSING POLICY COMMITTEE MEETING MINUTES March 11, 2015

48 W. Yaney Avenue, Sonora
Mailing: 2 S. Green Street
Sonora, CA 95370
(209) 533-5633
(209) 536-1622 (Fleet)
(209) 533-5616 (fax)
(209) 533-5909 (fax - EHD)
(209) 588-9064 (fax - Fleet)
(209) 533-5698 (fax - Roads)
www.tuolumnecounty.ca.gov

PRESENT: Supervisor Randy Hanvelt, Chair and Supervisor Rodefer

ABSENT: None

STAFF: Sheila Shanahan, Housing Program Coordinator, Bev Shane, Community Resources Director, Mike Laird, Deputy CRA Director, and Brandy Stowers, Department Support Technician

CALL TO ORDER/WELCOME:

Chair Hanvelt called the meeting of March 11, 2015, to order at 9:39 am.

PUBLIC COMMENT:

Chair Hanvelt opened the 15 minute public comment period, at which time anyone wishing to could come forward and address the Committee on any item not on the Agenda.

Beettle Barbour, Housing Resources Director for Amador Tuolumne Community Action Agency (ATCAA), said the County is working on the National Disaster Resiliency Competition grant. She said developers who are building affordable housing often need predevelopment funds to begin a project. She said a trust fund was created but there is no money in it yet. She said maybe there can be a community-wide plan to raise money for the trust fund. She will ask the NDRC committee to match the funds to be put in the housing trust fund.

Sheila Shanahan, Housing Program Coordinator for Tuolumne County, said the state has a matching grant program for local housing trust funds. She said there needs to be a minimum of \$500,000.00 in the trust fund to participate in the program.

Ms. Barbour said there needs to be local commitment for raising funds for the housing trust fund.

Chair Hanvelt asked how this money will be used for soft costs.

Supervisor Rodefer said that if a developer receives predevelopment funds, it provides an incentive to develop affordable housing.

Ms. Shanahan said that affordable housing developments require time to secure financing. She said Tuolumne Apartments applied for the rehabilitation program twice and received the funds the second time. Thus, predevelopment funds are important for these types of projects.

Karen Burkhardt, from the Tuolumne County Association of Realtors (TCAR), said real estate transaction fees are a single source funding and would not be considered a community or local commitment.

Ms. Barbour said the City of Sonora raised their sales tax. A County sales tax would need to go before the voters to be approved.

Ms. Shanahan said that in the past, the Committee looked at adding a fee to the local Transit Occupancy Tax.

Supervisor Rodefer said if a tax is going to added, there are lots of interested parties competing for any funds raised.

COMMITTEE BUSINESS:

1. Minutes of January 14, 2015

Chair Hanvelt asked if there were any changes or corrections to the Minutes of the meeting of January 14, 2015.

Ms. Barbour wanted to correct the minutes to show that there are 26 vouchers, not 12, for Section 8 Housing in Tuolumne County.

It was moved by Supervisor Rodefer and seconded by Chair Hanvelt to approve the Minutes of the meeting of January 14, 2015, as corrected.

Chair Hanvelt called for the vote: Ayes, 2; Noes, 0; Abstain, 0.

Motion carried 2 - 0 - 0.

2. Reports

a. Status of the Tuolumne Apartments HOME Program loan.

Ms. Shanahan said Tuolumne Apartments has all their financing secured and hopes to start work in June or July.

Ms. Shanahan said tax exempt bonds have been secured for the project and a TEFRA public hearing for the tax exempt bonds needs to be held again. She explained that the County held a similar hearing last year but the bonds were not issued because the project did not have all of the necessary financing.

Chair Hanvelt said the loan is \$3.3 million and bonds are up to \$6.5 million plus tax credits.

Ron Kopf, Executive Director of the Tuolumne County Business Council, asked what the total budget is for the number of units being rehabilitated.

Ms. Shanahan said the budget numbers are not available at this time but we should have them at the next meeting.

Mr. Kopf asked how many funding sources the builders will have.

Ms. Shanahan said they will have the tax exempt bonds, tax credits the HOME Funds, the home funds, a construction loan and a permanent loan from a conventional lender.

Chair Hanvelt said some of the money includes moving the people out of the apartments temporarily during the rehabilitation.

Ms. Barbour asked if they are doing any local hiring for the construction.

Ms. Shanahan said that the developer plans to hire a general contractor from Modesto. The

developer has agreed to use their best efforts to use local subcontractors and materials providers.

Chair Hanvelt asked if the chosen general contractor has to pay a prevailing wage.

Ms. Shanahan said they will have to pay a prevailing wage and hire a consultant to oversee prevailing wage and relocation. She advised that with federal money there are rules that must be followed on relocation and prevailing wages.

Ms. Burkhart said it will cost the project more money because of having to pay prevailing wages.

Supervisor Rodefer said many local contractors do not want to bid a prevailing wage project because it sets a precedent for other projects that the local contractor might bid on that would not require a prevailing wage.

Mr. Kopf said a lot of the local contractors do not have the staffing for the reporting requirements of the certified payrolls.

Ms. Barbour said AB 824 now requires all contractors who want to bid on public works projects to pay a \$300 annual registration fee and they would have to upload certified payroll to the Department of Industrial Relations.

Mr. Kopf says it would be interesting to talk to Mark Banks of Banks Glass to see how it is affecting him. He said his insurance prohibits them from bidding on a multi-family project.

Chair Hanvelt asked if there are other ways to get affordable housing projects done.

Ms. Shanahan said that the County is using CalHome money right now to help Habitat home buyers at their project in Columbia.

b. Section 8 Rental Assistance Program update from Stanislaus County Housing Authority

Ms. Shanahan said the housing authority opened the Section 8 waiting list for all of our foothill counties and worked with local non-profits and social service departments to get the word out. She added that the Federal Housing and Department of Urban Development has invited Stanislaus Housing Authority to apply for 10 "Vash Vouchers" for veterans for Tuolumne County.

Supervisor Rodefer said there is an agenda item for the next Board of Supervisors meeting regarding a resolution for Vietnam Veterans.

Ms. Shanahan said there are 26 vouchers open for the Section 8 program for Tuolumne County. She said Stanislaus County received 536 applications for the 26 vouchers. She said the list will be a long term waiting list for many years.

Ms. Barbour said the priorities are for seniors and disabled.

3. Review of the 2015 Housing Policy Committee Annual Work Plan

Ms. Shanahan referred to the 2015 Annual Work Plan. She briefly went through each item and provided a status update for each project. Ms. Shanahan noted that the housing survey results are posted on the website.

Ms. Barbour said she met with Connie Williams from the City of Sonora regarding the homeless. She said there are significant barriers for some homeless people to move into housing. Many homeless people may owe the Office of Revenue Recovery for tickets and fines. She said criminal records are also major obstacles for many clients.

Chair Hanvelt said there are some people who do not want help and want to stay where they are.

Some have mental issues.

Ms. Shanahan asked if the Committee would like to discuss the Workforce Housing forum at the next meeting.

Ms. Barbour had asked if there should be a forum regarding Veterans and the homeless.

Supervisor Rodefer said he thinks there may be some upset people if the County only has ten vouchers and a lot more people show up at a forum.

Chair Hanvelt said the forums are informative and generate ideas.

NEW ITEMS:

1. Consideration of changes to Committee membership

Chair Hanvelt said there have been a number of meetings where there have not been two supervisors able to come. He said there is a Brown Act violation if both supervisors from a Committee show up at a public meeting. He said the size of the Committee should be no more than five or seven voting members.

Supervisor Rodefer said that County staff should not be members of the Committee. He said their job is to provide support.

Discussion ensued as to which organizations should be represented on the Committee. Developers, social services, realtors and senior service providers were suggested.

Supervisor Rodefer said ACTAA should be represented separate from social services.

Ms. Burkhart said Citizens for Responsible Growth make decisions about development and housing and should be a part of the Committee.

Ms. Barbour said Barbara Farkus from Citizens for Responsible Growth stays well informed regarding all projects.

Chair Hanvelt agreed with comments from the public that seven is a manageable number of Committee members.

Chair Hanvelt said the most important thing for the Committee is continuity.

Chair Hanvelt said having Realtors, affordable housing advocates such as ATCAA, and Habitat, Senior housing and developer/business interests, is a good representative group.

Ms. Shane said there should be discussion whether or not these positions will be representatives of an organization or if the Board of Supervisors will appoint individuals.

Mike Lemke, from Lemke Homes, said for discussion purposes the Commission on Aging this year has four members on a legislative committee focusing on senior housing.

Supervisor Rodefer said that the Committee should have a primary and an alternate member from each group.

Trinity Abila, Executive Director from Habitat for Humanity in Tuolumne County, said her organization is involved in many functions, including mortgage lending, building, social services, and educational support.

Ms. Barbour said maybe ATCAA can represent rentals and Habitat can represent homeownership

on the Committee.

The group discussed that TCAR would be able to represent realtors. Area 12 Agency on Aging, as the largest senior provider would be a good representative for seniors. The Building Industry Association or the Business Council could represent developers or the business community.

Chair Hanvelt said there should be Realtors, Developers/business, representatives for seniors, and 2 at-large positions both of which represent affordable housing. He advised the changes to the Committee would be scheduled for the Board of Supervisors in April.

Ms. Shanahan asked for clarification that the recommendation is to add five positions representing organizations in the following categories:

1. Realtors – 1 member
2. Business/developer – 1 member
3. Seniors – 1 member
4. At-large – 2 members with emphasis on affordable housing.

It was moved by Supervisor Rodefer and seconded by Chair Hanvelt to add five positions to the Committee.

Chair Hanvelt called for the vote: Ayes, 2; Noes, 0; Abstain, 0.

Motion carried 2 - 0 - 0.

ADJOURNMENT:

Chair Hanvelt adjourned the meeting at 10:52 am.

Respectfully,

Bev Shane, AICP
Community Resources Director

BJS:SS:bas

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